

STATE OF WASHINGTON



OF OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of	)	
	)	ORDER NO. Do4-97
HARTFORD FIRE INSURANCE	)	
COMPANY,	)	CONSENT AND ORDER
	)	
An Authorized Insurer.	)	
_____	)	

FINDINGS OF FACT

- 1) For roughly the past 17 years, Hartford Fire Insurance Company has been providing animal mortality coverage.
- 2) It was not until November of 2003 Hartford made a rate filing.
- 3) Prior to that filing there had been a misunderstanding on behalf of Hartford Fire Insurance as to the application of WAC 284-24-080 and Chapter 48.19 RCW.
- 4) WAC 284-24-080 lists the inland marine risks for which rate filings are required. In section(2) it provides "Agricultural machinery, farm equipment and livestock floaters." Coverage under a livestock floater is on a named peril basis. It does not provide for full mortality.
- 5) RCW 48.19.030 excepts "specific rates on inland marine risks individually rated, which risks are not reasonably susceptible to manual or schedule rating, and which risks by general custom of the business are not written according to manual rates or rating plans."
- 6) RCW 48.19.040 provides "Every insurer or rating organization shall, before using, file with the commissioner every classification manual, manual of rules and rates, rating plan, rating schedule, minimum rate, class rate, and rating rule, and every modification of any of the foregoing which it proposes."

- 7) Hartford Fire Insurance Company also writes other inland marine additional risk lines which it has agreed to file. These include:
- a) ACP Truckers and Truckers
  - b) Aquaculture
  - c) Auctions
  - d) Bonds
  - e) Mortgaged and Stolen
  - f) Feedlot/Pasture

#### CONCLUSIONS OF LAW

- 1) Pursuant to WAC 284-24-080, RCW 48.19.030, and RCW 48.19.040 and its creation of a rating plan for mortality insurance and other inland marine additional risk lines, Hartford Fire Insurance Company is subject to the filing requirements of the Washington State Insurance Code.

#### CONSENT TO ORDER

Hartford Fire Insurance Company does hereby consent to the foregoing Findings of Fact and Conclusions of Law and acknowledges its duty to comply fully with the applicable laws of the State of Washington.

Hartford does consent to this Order levying a fine in the amount of \$20,000 on condition there be no further violations beyond those presently known.

Hartford further consents to this Order to file the other inland marine additional risk lines in exchange for no further action on the filings. Failure to make such filings will result in further action on the part of the Office of Insurance Commissioner.

EXECUTED AND AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

HARTFORD FIRE INSURANCE COMPANY

Signed \_\_\_\_\_

Title \_\_\_\_\_

ORDER

Pursuant to RCW 48.05.185 the Insurance Commissioner hereby imposes a fine of \$20,000 upon Hartford Fire Insurance Company. This fine is in lieu of proceedings against Hartford Fire Insurance Company's certificate of authority. This fine must be paid within thirty days of the date of the entry of this Order. Failure to pay this fine shall constitute grounds for recovery of the fine by the Attorney General of the State of Washington and for revocation of Hartford's certificate of authority by the Office of Insurance Commissioner.

The Office of Insurance Commissioner further requires that Hartford Fire Insurance Company make the proper filings with this office for the other inland marine additional risk lines for which it provides coverage. These filings must be made within 60 days of the date of the entry of this order and approved and finalized within 60 days of that. Failure to comply will result in further action by the Office of Insurance Commissioner.

ENTERED AT TUMWATER, WASHINGTON this \_\_\_\_\_ day of \_\_\_\_\_, 2004

Mike Kreidler  
Insurance Commissioner

By \_\_\_\_\_  
Mary M. Cotter  
Staff Attorney, Legal Affairs